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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000-0115]

[Docket 2012-0076; Sequence 70]

Submission for OMB Review; Notification of Ownership Changes

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for public comments regarding an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act, the Regulatory Secretariat will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning notification of ownership changes. A notice was published in the Federal Register at 77 FR 74663, on December 17, 2012. One respondent submitted comments.

DATES: Comments may be submitted on or before **[Enter date 30 days after date of publication in the Federal Register.]**

ADDRESSES: Submit comments identified by **Information Collection 9000-0115, Notification of Ownership Changes** by any of the following methods:

- Regulations.gov: <http://www.regulations.gov>.

Submit comments via the Federal eRulemaking portal by searching the OMB control number. Select the link "Submit a Comment" that corresponds with "Information Collection 9000-0115, Notification of Ownership Changes". Follow the instructions provided at the "Submit a Comment" screen. Please include your name, company name (if any), and "Information Collection 9000-0115, Notification of Ownership Changes" on your attached document.

- Fax: 202-501-4067.
- Mail: General Services Administration, Regulatory Secretariat (MVCB), 1800 F Street, NW, Washington, DC 20405-0001. ATTN: Hada Flowers/IC 9000-0115, Notification of Ownership Changes.

Instructions: Please submit comments only and cite Information Collection 9000-0115, Notification of Ownership Changes, in all correspondence related to this collection. Submit comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503. All comments received will be posted without change to

<http://www.regulations.gov>, including any personal and/or business confidential information provided.

FOR FURTHER INFORMATION CONTACT: Edward Chambers,
Procurement Analyst, Office of Acquisition Policy, GSA,
(202) 501-3221 or email edward.chambers@gsa.gov.

SUPPLEMENTARY INFORMATION:

A. Purpose

Allowable costs of assets are limited in the event of change in ownership of a contractor. Contractors are required to provide the Government adequate and timely notice of this event per the FAR clause at 52.215-19, Notification of Ownership Changes.

B. Discussion and Analysis

One respondent submitted comments on the extension of the previously approved information collection. The analysis of the public comments is summarized as follows:

Comment: The respondent commented that the extension of the information collection would violate the fundamental purposes of the Paperwork Reduction Act because of the burden it puts on the entity submitting the information and the agency collecting the information.

Response: In accordance with the Paperwork Reduction Act (PRA), agencies can request OMB approval of an existing

information collection. The PRA requires that agencies use the Federal Register notice and comment process, to extend OMB's approval, at least every three years. This extension, to a previously approved information collection, pertains to FAR clause 52.215-19. This clause requires a contractor, when becoming aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, to notify the Administrative Contracting Officer (ACO) within 30 days. Further, the contractor has responsibilities regarding the maintenance and availability of inventory records of assets. Without this information or ability to access the information, after an ownership change, the Government would be unable to ascertain whether contractor assets were properly valued. The cost principles at FAR 31.205-52 address the allowability of certain costs resulting from asset valuations following business combinations. In order to administer the cost principles adequately, the information required by FAR 52.215-19 is necessary.

Comment: The respondent commented that the agency did not accurately estimate the public burden challenging that the agency's methodology for calculating it is insufficient and inadequate and does not reflect the total burden.

Response: Serious consideration is given, during the open comment period, to all comments received and adjustments are made to the paperwork burden estimate based on reasonable considerations provided by the public. This is evidenced, as the respondent notes, in FAR Case 2007-006 where an adjustment was made from the total preparation hours from three to 60. This change was made considering particularly the hours that would be required for review within the company, prior to release to the Government.

The burden is prepared taking into consideration the necessary criteria in OMB guidance for estimating the paperwork burden put on the entity submitting the information. For example, consideration is given to an entity reviewing instructions; using technology to collect, process, and disclose information; adjusting existing practices to comply with requirements; searching data sources; completing and reviewing the response; and transmitting or disclosing information. The estimated burden hours for a collection are based on an average between the hours that a simple disclosure by a very small business might require and the much higher numbers that might be required for a very complex disclosure by a major corporation. Also, the estimated burden hours should only include projected hours for those actions which a company would not undertake in the normal course of business.

Upon consideration of the respondent's comments and review of Fiscal Year 2012 (FY12) Federal Procurement Data System (FPDS) information an adjustment is being made to the estimated annual burden. Based on FPDS information approximately 1200 novations and non-novated mergers and acquisitions were recorded in FY12 as descriptions for modifications. However, it is estimated that 50 percent or 600 of such actions will require the contractor to meet the requirements specified at FAR 52.215-19. The clause is only required to be inserted in solicitations and contracts for which it is contemplated that certified cost or pricing data will be required or for which any pre-award or post-award cost determination will be subject to [Subpart 31.2](#). The estimate of hours per response is adjusted upwards to partly allow for the internal coordination and analysis before submitting the information to the Government as stated by the respondent. However the significant adjustment suggested was not made because, apart from a notification to the ACO, the requirements of the clause are passive, requiring contractors to maintain rather than to create records to meet the specific requirements for Government submission, and should be part of the normal course of doing business. At any point, members of the public may submit comments for further consideration, and are encouraged to provide data to support their request for an adjustment.

C. Annual Reporting Burden

Respondents: 600.

Responses Per Respondent: 1.

Total Responses: 600.

Hours Per Response: 5.

Total Burden Hours: 3000.

OBTAINING COPIES OF PROPOSALS: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat (MVCB), 1275 First Street, NE, Washington, DC 20417, telephone (202)

501-4755. Please cite OMB Control No. 9000-0115,
Notification of Ownership Changes, in all correspondence.

Dated: June 21, 2013

William Clark,
Acting Director,
Office of Governmentwide Acquisition Policy,
Office of Acquisition Policy,
Office of Governmentwide Policy.

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